(c) what are Government's expectations during current fiscal year indicating the likely inflows by the end of March this year?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTIONS, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) and (b) The policy on Foreign Direct Investment (FDI) is reviewed on a continuing basis through an inter-ministerial consultation process. The recent review of the FDI policy covered Petroleum and Natural Gas; Civil Aviation; Commodity Exchanges; Credit Information Companies; Mining of Titanium bearing minerals and ores and its value addition; and Industrial Parks.

(c) FDI inflows depend on various factors including *inter-alia,* the macro-economic policy framework of the host country, investment policy of trans-national corporations and commercial considerations of the investor. No target is yet fixed for FDI inflows during this financial year. During the fiscal year 2007-2008 (till February 2008), FDI equity inflows of US$ 20.1 billion were received.

Conversion of EPZs into SEZs for tax benefits

*431. SHRI RAJNITI PRASAD: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government is aware that many Export Processing Zones (EPZs) have been converted into Special Economic Zones (SEZs) only for tax benefits; and

(b) if so, how does Government justify increase of exports, production and employment due to SEZs?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) Eight Export Processing Zones, of which 7 were set up by the Central Government, were converted into Special Economic Zones (SEZs) after the Special Economic Zone Policy announced in April, 2000. Fiscal incentives of similar nature were available to the units set up under the erstwhile Export Processing Zones.

(b) Since the coming into force of SEZ Act, 2005 and SEZ Rules, 2006, SEZs have provided incremental employment to 1,76,668 persons and generated incremental investment of Rs. 71090.10 crore. Exports from SEZs have been constantly on the increase, registering a growth of 366% over the last four years. Whereas exports from SEZs in the year 2006-07 was Rs. 34615 crore, registering a growth of 52% over the previous year, in the year 2007-08 exports from SEZs was of the order of Rs.64,623 crore registering a growth rate of 87%. Further, out of the total physical exports of Rs. 64,623 crore in the year 2007-08, exports worth Rs. 25,368 crore came from the Special Economic Zones other than the ones set up by the Central Government.

Loss due to Tsunami and funds allocated and spent

*432. SHRI MOINUL HASSAN: Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether Government is aware that more than three years after the Tsunami, only about one-fourth of the funds allocated have been spent;

(b) if so, the reasons therefor;

(c) the human and cattle loss incurred due to Tsunami, State-wise;

(d) the allocation and the amount spent in each State, State-wise; and

(e) the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRIMATI V. RADHIKA SELVI): (a) As per the expenditure reported by the States/Union Territories on Tsunami relief and rehabilitation it is not correct to conclude that only one-fourths of the allocated funds have been spent.

(b) Does not arise.

(c) A total of 9395 human lives and 73688 livestock was lost due to Tsunami. The State-wise details are as under:-

State/UT	Human lives lost	Livestock [excluding poultry]
Tamil Nadu	7996	11550
Kerala	238	883
Andhra Pradesh	105	89
Puducherry	602	2311
A & N Islands (ANI)	454	58855
TOTAL:	9395	73688

(d) The details of the allocation and amount spent on relief and rehabilitation of Tsunami affected areas is given below:

State and Union Territory-wise Central assistance allocated/amount spent under the 'Rajiv Gandhi Rehabilitation Package' (RGRP) for immediate relief and response.

(Rs. in crore)

State/UT	Amount allocated under RGRP	Amount released	Amount spent*
Tamil Nadu	2347.19	820.31	748.12
Kerala	249.36	100.00	103.19
Andhra Pradesh	70.00	70.00	63.34
Puducherry	155.62	70.83	69.14
Andaman & Nicobar Islands (ANI)	821.88	861.89	838.58
TOTAL:	3644.05	1923.03	1822.37

*An amount of Rs. 1776.62 crore meant for long-term reconstruction merged with TRP.
95% of the amount released under RGRP has been spent by the States/UTs.

State and Union Territory-wise Central assistance allocated/amount spent under the Tsunami Rehabilitation Programme (TRP) for long-term rehabilitation and reconstruction activities.

(Rs. in crore)

State	Revised Total Outlay under TRP (2005-06 to 2008-09)	Total allocation for 2005-06, 2006-07, and 2007-08	Amount spent upto December, 2007
Tamil Nadu	4165.33	2781.76	1013.33
Kerala	1441.75	493.00	181.61
Andhra Pradesh	210.16	157.05	140.67*
Puducherry	663.73	635.00	463.17
A & N Islands (ANI)	2654.69	1300.00	1147.58*
TOTAL:	9135.66**	5366.81	2946.36

(*) Includes amount spent from Relief Component of RGRP.

(**) Excludes Rs. 678.48 crore given to Department of Shipping (DoS) for reconstruction of Ports and Jetties and Rs. 7.95 crore for the expenditure related to activities of Core Group. [Total outlay Rs 9135.66 crore (for States/UTs) + Rs. 678.48 crore (for DoS) + Rs. 7.95 crore (for Core Group)= Rs. 9822.10 crore].

55% of the amount allocated under TRP has been spent by the States/UTs.

(e) While approving the Revised TRP in January, 2007, it was decided by the Empowered Group of Ministers (EGoM), which periodically monitors the physical and financial progress of TRP, that no major fluctuations should be allowed in the approved programme and the implementing agencies should complete the work in a scientific manner with a view to provide relief and rehabilitate people.

Unwillingness of bankers to finance units in SEZs

*433. SHRI O.T. LEPCHA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government is aware that bankers are not willing to finance units in Special Economic Zones (SEZs) because they are not able to get transferable rights on the land and building;

(b) if so, whether Government thinks that development of industries in SEZs will be a big problem and will only confine itself to big industrial houses; and

(c) if so, how does Government plan to overcome this problem?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) Under the Special Economic Zones, Rules, 2006, sale of land by the Developer in Special Economic Zone is not allowed. Land can be allotted by the Developer only on lease basis. As per available information, no specific instance of difficulty faced on this account has been brought to the notice of the Government.